The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. MCDERMOTT) is recognized for 5 minutes.

(Mr. MCDERMOTT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

(Ms. KAPTUR addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

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GOVERNMENT OVERSPENDING

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from Missouri (Mr. AKIN) is recognized for 60 minutes as the designee of the majority leader.

Mr. AKIN. Mr. Speaker, it is a treat to be able to join you and my colleagues today, and at the beginning of a new year, take on a subject that we have been aware of and increasingly conscious of, the problems relative to our economy, to jobs, but particularly to the Federal Government and its voracious appetite to overspend.

I'm joined by a number of distinguished colleagues today. I think it should be an interesting discussion. We're going to try to keep it simple and look at the big picture and look at the choices that America faces.

Along those lines, here is a sort of a by-the-numbers projection for this year, 2011. And you see sort of a bar graph, these tubes here. This top one is $3.834 trillion, that's $3.8 trillion, and that's what it's expected that the Federal Government is going to spend, $3.8 trillion. The problem here is this other little thing here. This is the income projection. And that's $2.6, if you round a trillion. So 2.6 versus 3.8, which, you can tell by the length of them that we are spending more money than we are taking in. People that have tried to run a budget at home understand that's a very easy thing to have happen, to spend more money than what you have coming in. And the Federal Government has that problem, and it has it big-time. In this case, the difference between the two is more than $1 trillion.

And so that's what we're going to take a look at. And what can we do about it isn't so much a matter if you are a liberal or a conservative really, the fact is it's mathematics. We're spending a whole lot more than we're taking in. And so that is the problem we're going to take a look at. When you do that year after year, spend more than you take in, you start to develop a debt. In our case, we've got a $14 trillion debt. So you have a deficit of $1.6 trillion, but you keep adding these things every year, and pretty soon you build this debt up. And the

problem with the debt is that you have to pay interest on the money that you borrowed. And so that also makes things worse. And so now you take a look at the fact that not only are we spending about one-third more than what we have, but we've been doing a bad job of controlling our spending.

In the past, we have also cranked up this debt. The effect of that is that one of the things that comes as far as spending is your cost of the debt service, so the more that you borrow, the more you have to pay interest on your debt, and therefore it just compounds the situation, making it worse. So that's the lineup.

So let's take a look at, well, where are we spending all this money? And one of the things that people that are looking at numbers take a look at is three fairly big what are called entitlements. Entitlements mean that somewhere along the line, the Congress passed a law, and the law works like a little machine. It just spits money out. And anybody who meets certain parameters, the machine will just give them some money. And that's called an entitlement. And so depending on what the entitlement is, it just spends money. And Congress doesn't have to do anything. The money just gets spent. And it is called an entitlement.

The three big ones, of course, are Medicaid, Medicare, and Social Security. And if you project over time how much money those entitlements are going to spend, you find that they are growing. They are growing because of people such as myself, a baby boomer. The baby boomers are getting older, and there's a whole lot of them, and there are not as many people working to pay into the system. And so the cost of these entitlements go up.

And as you see in this chart right here, this is the typical revenue that we get from taxes coming in. It is running at 18 percent. You can see it goes up and down as we have more or less taxes depending on who is in charge of the White House and the Congress. But it averages now, over since 1965, it's averaging about 18 percent. And you see this point out here at 2052 where these three entitlements are going to use up the entire budget. There won't be any money for anything else other than just these three things.

Unfortunately, this chart is optimistic because this is only including these three entitlements. We have other entitlements also. And in fact, at this point we have come really pretty close to it even today.

So our entitlement spending, when you look at the big bar chart up here, pretty much, of our income—about $2.5 trillion, pretty much that income is spent today on various entitlements. It's not just Medicare, Medicaid, and Social Security. But there are two other categories, miscellaneous entitlements, that would be things like food stamps and public housing, stuff like that, but also debt service, because you have to keep paying the interest

on debt. You put that all together, and that's just about what we've got for income. So we've got ourselves some challenges.

And I'm glad that I don't have to solve all this problem, but we have got some very smart people that are going to join and talk a little bit about this, what are our alternatives and what should we be doing.

The first is a freshman who is already distinguishing himself in the Congress, BILL JOHNSON. He is from Ohio. We are thankful that Ohio sent one of their great sons here, somebody who first of all has a background as a chief information officer in a global manufacturing company. "Information officer" means people that deal with the transfer of data and information, but also the data processing side of a company, which is really the communications and lifeblood of a company. He is also somebody who served our country faithfully as an officer in the United States Air Force.

BILL JOHNSON, it's a treat to have you on the floor. We're glad you got elected. You've heard the opening here. We've got a bit of a problem. In fact, we've got a problem that's so big that a lot of people are kind of—in Missouri we have an expression, hunker down like a toad in a hailstorm. A lot of people look at this and they go, oh, my goodness, what are we going to do?

So let's talk about that for a minute.

Mr. JOHNSON of Ohio. Well, Mr. Speaker, and to my distinguished colleague from Missouri, thank you so very much for the opportunity to be here. You're exactly right, and you've pointed it out so well. We have a disease here in Washington, and that disease is called "overspending." And it is, by and large, what has brought us economically to where we are today. And the debt that we see is the symptom of that disease.

It's amazing to me how many in D.C., how many in the administration and in the previous Congress, really believe that we can borrow, tax, and spend our way back to prosperity. As a businessman, as a graduate from a business school—I have a minor in business administration—I don't think that there is a business theory in place that says that you can prosper that way.

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Mr. AKIN. Let me just stop you. I want to cut in on you.

What you are saying is most businessmen, if you tell them we are having trouble with overspending so what we are going to do is spend some more, they are going to laugh you out of the shop; is that basically what it boils down to?

Mr. JOHNSON of Ohio. That's right. You know, that kind of thinking has never been good for families. It has never been good for businesses, and it certainly is not good for America. We see where that has left us. Your charts point out that we are on the path to a train wreck here. Yet we see policies